

THE MANAGEMENT AND BUDGET ACT (EXCERPT)
Act 431 of 1984

18.1248 Applicability of section; capital outlay project; continuation or lapse of balance; termination of project.

Sec. 248. (1) This section applies to all capital outlay projects appropriated in any budget act. This section does not apply to lump sums other than planning projects.

(2) Appropriations made in any budget act for a planning project shall not lapse to the fund from which appropriated at the end of the fiscal year, but shall continue until the purposes for which the sums were appropriated are completed. However, each project which has been authorized for planning for 3 years or more and which has not been authorized for final design and construction shall be terminated, unless the project is specifically reauthorized in a budget act.

(3) Appropriations made in any budget act for final design and construction shall not lapse to the fund from which they are appropriated at the end of the fiscal year, but shall continue until the purposes for which the sums were appropriated are completed. However, each project that has been authorized for final design and construction for 3 years or more and where construction has not commenced shall be terminated, unless the project is specifically reauthorized in a budget act.

(4) Except as otherwise provided in this section, the balance of any capital outlay project other than a planning project shall not lapse at the end of the fiscal year for which the appropriation was made, but shall continue for not more than 2 fiscal years occurring after the fiscal year for which the appropriation for the project is made.

(5) A capital outlay project may be continued beyond 3 fiscal years if the bid for the start of construction of the project is awarded before the end of the second fiscal year occurring after the fiscal year for which the appropriation for the project is made.

(6) A capital outlay project which is for purchase of property may be continued beyond 3 fiscal years if a contract to purchase property is entered into before the end of the second fiscal year occurring after the fiscal year for which the appropriation for the purchase is made but only the amount necessary to complete the purchase of the property pursuant to the contract shall be carried forward.

(7) A capital outlay project may be continued beyond 3 fiscal years if a federal grant award is pending and the federal rules preclude the award of the bid before the end of the second fiscal year occurring after the fiscal year for which the appropriation for the project was made, but shall not be continued beyond an additional year unless the bid for the start of construction of the project is awarded.

(8) If the bid for the start of construction of the project is awarded before the appropriations for the project are scheduled to lapse pursuant to subsection (4) or (6), the unobligated balance of the appropriations for the project shall not lapse but shall continue for 23 months after a project is substantially completed.

(9) If a capital outlay project is subject to a legal action, the balance shall lapse pursuant to subsections (2) to (8), or 30 days after the legal action is settled, or 30 days after a final order is entered, whichever is later.

(10) An unexpended balance which is to lapse pursuant to this section shall lapse to the fund from which the appropriation is made.

(11) A grant or grant-in-aid appropriated for the demolition, acquisition, construction, repair, or maintenance of capital assets shall not be reduced, adjusted, delayed, impounded, lapsed, or otherwise altered by the director for any purpose without legislative approval and shall be carried forward until awarded, in full, to the recipient of the appropriation consistent with legislative intent.

History: 1984, Act 431, Eff. Mar. 29, 1985;—Am. 1999, Act 8, Imd. Eff. Mar. 22, 1999.

Popular name: Act 431

Popular name: DMB